

Office of the Chief Financial Officer (AT0)

The mission of the Office of the Chief Financial Officer (OCFO) is to bring fiscal stability, accountability and integrity to the District through comprehensive financial management in order to support public services and restore stakeholder confidence in the Government of the District of Columbia.

Chief Financial Officer	Valerie Holt
Proposed Operating Budget (\$ in thousands)	\$80,747

Fast Facts

- The proposed FY 2001 operating budget is \$80,746,735, a decrease of \$824,021 from the FY 2000 budget. There are 1,078 full-time equivalents (FTEs) supported by this budget.
- The OCFO anticipates collection of \$3.2 billion in revenue in FY 2000, which represents 67 percent of the total District budget.

FY 2001 Proposed Budget by Control Center

The basic unit of budgetary and financial control in the District's financial management system is a control center. The Office of the Chief Financial Officer is comprised of seven control centers that serve as the major components of the agency's budget.

FY 2001 Proposed Budget by Control Center

(Dollars in Thousands)

Office of the Chief Financial Officer

Control Center	Proposed FY 2001 Budget
1000 EXECUTIVE DIRECTION	4,640
2000 FINANCIAL OPERATIONS AND SYSTEMS	8,580
3000 BUDGET AND PLANNING	3,614
4000 GRANTS MANAGEMENT AND DEVELOPMENT	1,988
5000 TAX AND REVENUE	36,748
6000 CHIEF INFORMATION OFFICER	9,190
7000 FINANCE AND TREASURY	15,987
AT0 Office of the Chief Financial Officer	80,747

Agency Overview and Organization

In April 1995, Congress addressed the District's financial crisis with the enactment of Public Law 104-8, the District of Columbia Financial Responsibility and Management Assistance Act (the "Act"). With the Act, the Congress also established an independent Office of the Chief Financial Officer (OCFO) to restore financial integrity and fiscal responsibility to the District government. The Act also placed the following offices under the authority of the OCFO: the Office of Financial Operations and Systems (including the Office of the Chief Information Officer), the Office of Budget and Planning, the Office of Grants Management and Development, the Office of Tax and Revenue, and the Office of Finance and Treasury.

The work of the agency is carried out through seven major divisions:

Executive Direction includes the immediate office of the Chief Financial Officer (CFO) and offices providing communications, legal, procurement, personnel and financial management support for the District's core financial operation and for the financial operations of the District's program agencies.

The Office of Financial Operations and Systems (OFOS) is responsible for the District's accounting operations, including critical functions such as internal controls, financial reporting and pay and retirement services. It includes the Financial and Technical Services Division (FTSD), a cost-effective shared service operation that provides financial management services to many of the District's smaller agencies and commissions.

The Office of Budget and Planning (OBP) is the principal advisor on the District's budget and has primary responsibility for the management of the budget and financial plan. As such, the mission of OBP is to prepare, monitor, analyze and execute the District's budget, including operating funds, capital funds and enterprise funds, in a manner that ensures fiscal integrity and maximizes service to taxpayers.

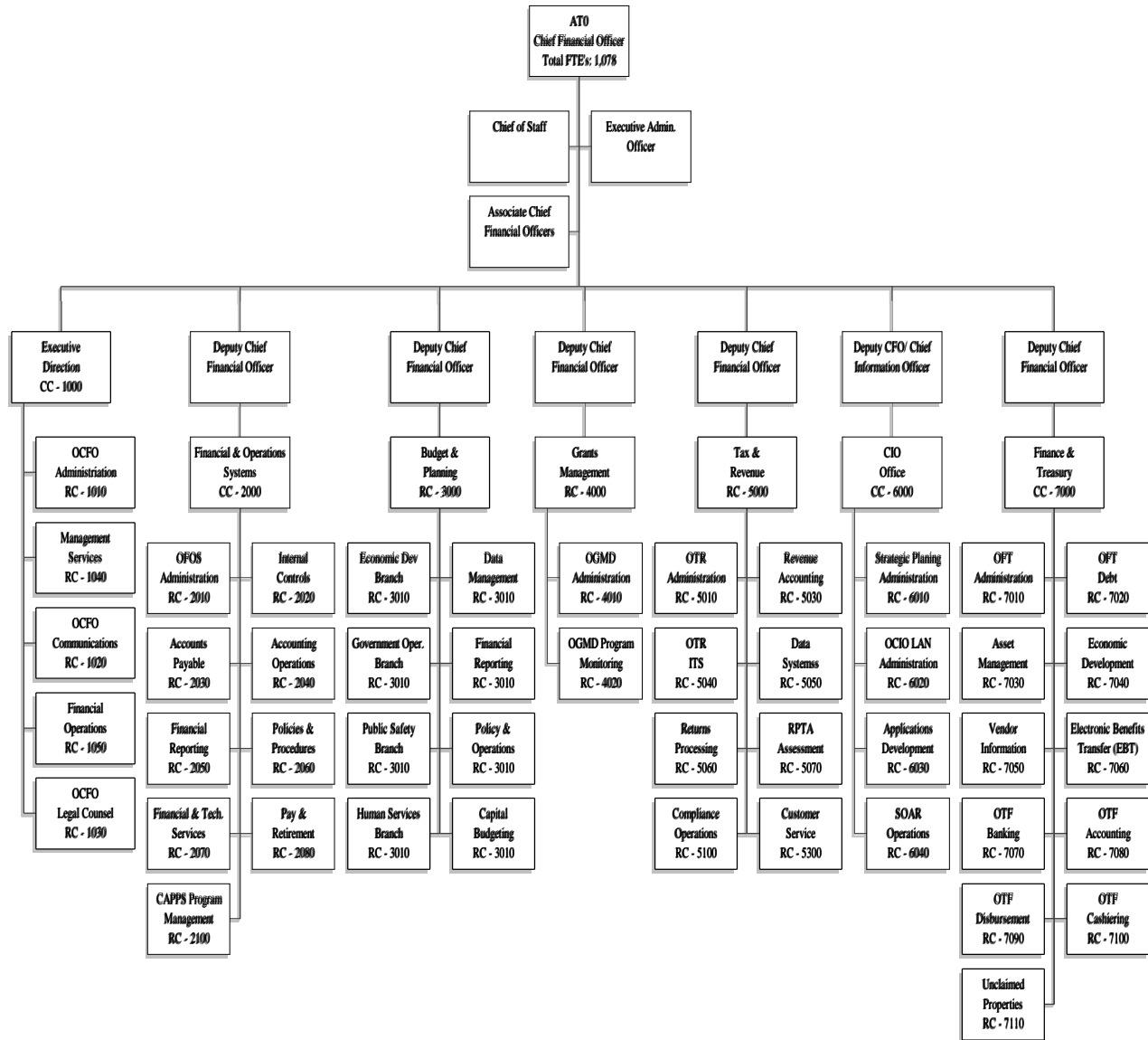
The Office of Grants Management and Development (OGMD) works in concert with District leadership, agency management, and community-based organizations to maximize access to federal, foundation, business and other private resources that support the District's program and policy priorities.

The Office of Tax and Revenue (OTR) ensures the fair, efficient and effective administration of the District's business, income, excise and real property tax laws. The Office processes tax returns and refunds, accounts for tax revenue, values property and records deeds, initiates tax compliance and collection efforts, and provides tax-related assistance and information.

The Office of the Chief Information Officer (OCIO) develops and maintains state-of-the-art financial information systems for the District of Columbia. The OCIO is responsible for the integration and planning of financial management operations and systems including the District's new Financial Management System (SOAR). The OCIO operates the DC SHARE Computer Center, which houses the mainframe-computing systems used for payroll and direct deposits, tax processing, benefits processing, health care provider payments, student stipends, and numerous other applications.

The Office of Finance and Treasury (OFT) manages the assets and liabilities of the District government. As such OFT manages the District's cash and liquid assets, handles all cash disbursements, conducts capital market borrowings, collect non-tax accounts receivables, administers District retirement programs, and improves the District's infrastructure through an economic development revenue bond program.

Office of the Chief Financial Officer (AT0)



FY 2001 Proposed Operating Budget

The Operating Budget of the Office of the Chief Financial Officer is composed of two categories: (1) Personal Services (PS), and (2) Nonpersonal Services (NPS).

Within the PS budget category are several object classes of expenditure such as regular pay, other pay, additional gross pay, and fringe benefits. Within the NPS budget category are several object classes of expenditure such as supplies and materials, utilities, communications, rent, other services and charges, contractual services, subsidies and transfers, equipment and equipment rental, and debt service.

Authorized spending levels present the dollars and related full-time equivalents (FTE) by revenue type. Revenue types include: Local (tax and non-tax revenue not earmarked for a particular purpose); Federal (revenue provided by the federal government to support federally established programs or grants for a particular purpose); Private and Other (charitable contributions and fees from fines, etc); and Intra-District (payments for services provided by one District agency for another District agency).

FY 2001 Proposed Operating Budget

(Dollars in Thousands)

Office of the Chief Financial Officer

Object Class	FY 1999 Unaudited		Budget FY 2000		Proposed FY 2001		Variance	
Regular Pay -Cont. Full Time	38,082		42,455		40,060		-2,395	
Regular Pay - Other	3,587		2,135		2,301		166	
Additional Gross Pay	1,569		709		1,094		385	
Fringe Benefits	6,739		6,771		7,348		577	
Subtotal for: Personal Services (PS)	49,977		52,070		50,802		-1,267	
Supplies and Materials	911		1,276		1,185		-92	
Utilities	774		510		510		0	
Telephone, Telegraph, Telegram	1,205		1,308		1,305		-3	
Rentals - Land and Structures	5,218		6,502		6,652		150	
Other Services and Charges	9,719		7,214		7,494		280	
Contractual Services - Other	8,118		11,546		11,590		45	
Subsidies and Transfers	5,895		0		0		0	
Equipment and Equipment Rental	3,478		1,146		1,209		63	
Subtotal for: Nonpersonal Services (NPS)	35,318		29,501		29,944		443	
Total Expenditures:	85,295		81,571		80,747		-824	
Authorized Spending Levels by Revenue Type:	FTEs	Dollars	FTEs	Dollars	FTEs	Dollars	FTEs	Dollars
Local	978	61,463	919	63,916	935	62,853	16	-1,063
Federal	14	6,920	5	913	3	932	-2	19
Other	23	7,694	41	10,303	48	10,955	7	652
Intra-District	14	9,217	104	6,439	92	6,007	-12	-433
Total:	1,029	85,295	1,069	81,571	1,078	80,747	9	-824

Agency Funding Summary

The proposed FY 2001 operating budget *for all funding sources* is \$80,746,735, a decrease of \$824,021 from FY 2000 approved budget. The Office of the Chief Financial Officer receives 77.8 percent of its funding from local, 1.2 percent from federal, 13.6 percent from other and 7.4 percent from intra-District sources. There are 1,078 FTEs supported by this budget.

- **Local.** The proposed *local* budget is 62,853,206, a net decrease of \$1,062,937 from the FY 2000 budget. Of this net decrease, a decrease of \$1,591,815 is in personal services, and an increase of \$528,878 is in nonpersonal services. There are 935 FTEs supported by local sources.

The change in personal services is comprised of:

- \$2,166,587 for the 6 percent pay raise for non-union employees
- (\$1,454,359) decrease for 3.5 percent vacancy lapse
- (\$1,854,583) decrease in funding for filled positions

- (\$449,460) decrease resulting from the reduction of ten positions

The change in nonpersonal services is comprised of:

- \$150,000 increase for rent costs based on Office of Property Management (OPM) estimates
 - \$229,783 increase for the transfer of cashiering costs from nonlocal fund sources
 - (\$3,000) decrease for telephone costs based on OPM estimates
 - \$213,529 increase for equipment
 - (\$61,434) decrease for other services and charges
- **Federal.** The proposed *federal* budget is \$932,000, a net increase of \$19,000 over the FY 2000 budget. The entire increase is in personal services. There are three FTEs supported by federal sources.
 - **Other.** The proposed *other funds* budget is \$10,954,973, an increase of \$652,462 over the FY 2000 budget. Of this increase, \$380,662 is in personal services, and \$271,800 is in nonpersonal services. There are 48 FTEs supported by other sources.
 - **Intra-District.** The proposed *intra-District* budget is \$6,006,556, a decrease of \$432,546 from the FY 2000 approved budget. Of this decrease, there is a \$75,046 decrease in personal services, and a \$357,500 decrease in nonpersonal services. There are 92 FTEs supported by *intra-District* sources.

NEEDED ADJUSTMENTS

The District has invested in its financial systems, with funding for the development and implementation of such systems from the Capital Improvements Plan. The SOAR financial management system and the CAPPS payroll and personnel system must now be funded by the operating budget. FY 2001 operating funds totaling \$1.8 million was requested to support the operations of these programs. These needed program enhancements are not funded.

In addition, the Office of Tax and Revenue (OTR) received funding of \$2.5 million in FY 2000 pursuant to the “2:1 revenue provision” of the District’s Appropriations Act. The funds provided for 38 positions and related NPS costs. Most of the positions were in the Compliance Operations area and were expected to generate over \$20 million in added revenue this fiscal year and next. The Office of Tax and Revenue may need to lower its revenue estimate in the absence of this funding.

Figure 1

**Of the total
Proposed FY 2001
Operating Budget,
77.8 percent is
Local.**

*Other funds, intra-District and
federal funds combined are 22.2
percent of the total budget.*

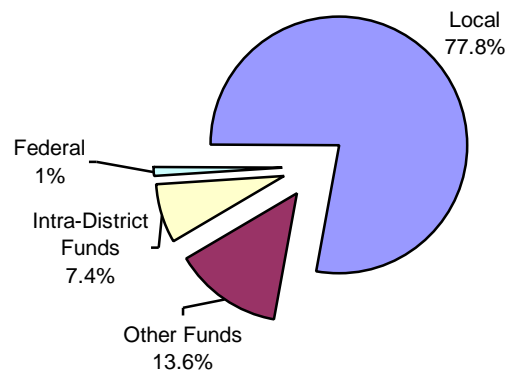
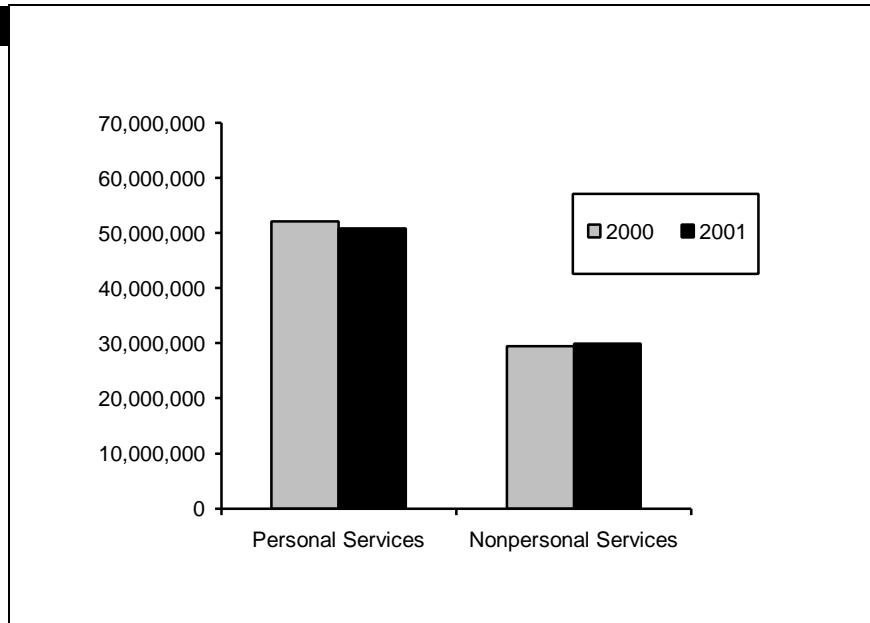


Figure 2**FY 2001 Proposed Budget Includes an Increase for PS and NPS**

Personal Services decreased by 2.4 percent, from \$52.0 million in FY 2000 to \$50.8 million, in FY 2001.

Nonpersonal services increased by 1.5 percent, from \$29.5 million to \$29.9 million.



Occupational Classification Codes

Occupational Classification Codes (OCC) are used by federal agencies like the Bureau of Labor and Census Bureau, as a way of classifying workers into eight major occupational categories for the purpose of collecting, calculating, or disseminating data. The Office of the Chief Financial Officer's workforce is divided among five occupational classification codes.

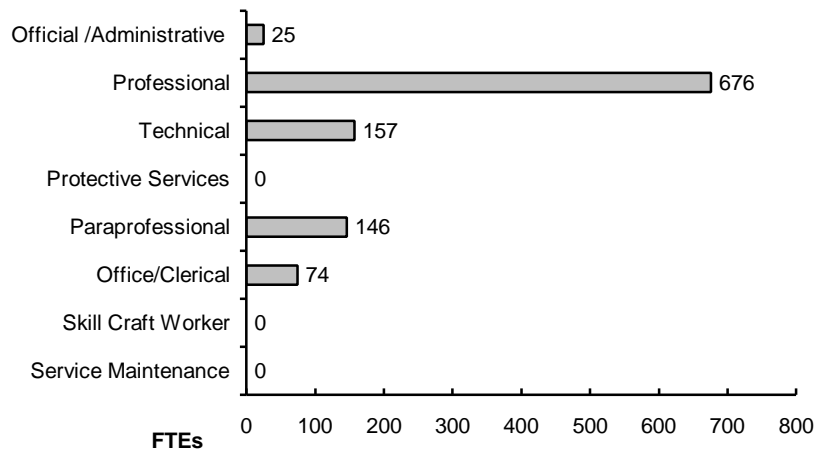
Agency FTEs by Occupational Classification Code

OC Code	FTEs in FY 2001
Official /Administrative	25
Professional	676
Technical	157
Protective Services	0
Paraprofessional	146
Office/Clerical	74
Skill Craft Worker	0
Service Maintenance	0
Total	1,078

FTE Analysis

Agency FTEs by Occupational Classification Code

The Office of the Chief Financial Officer is an administrative agency. Of the total FTEs, 63.0 percent are Professional. Another 15.0 percent are Technical employees.



Control Center Summaries

1000-Executive Direction

FY 2001 Proposed Operating Budget (Control Center)

EXECUTIVE DIRECTION

(Dollars in Thousands)

Office of the Chief Financial Officer

Object Class	Budget FY 2000	Proposed FY 2001	Variance
Regular Pay -Cont. Full Time	3,482	2,951	-531
Regular Pay - Other	14	24	10
Additional Gross Pay	31	55	24
Fringe Benefits	524	455	-70
Subtotal for: Personal Services (PS)	4,051	3,484	-568
Supplies and Materials	46	31	-15
Utilities	49	49	0
Telephone, Telegraph, Telegram	58	55	-3
Rentals - Land and Structures	40	40	0
Other Services and Charges	318	352	34
Contractual Services - Other	510	510	0
Equipment and Equipment Rental	134	119	-15
Subtotal for: Nonpersonal Services (NPS)	1,155	1,156	1
Total Expenditures:	5,207	4,640	-567
Authorized Spending Levels by Revenue Type:	Dollars	Dollars	Dollars
Local	5,126	4,560	-566
Intra-District	81	80	-1
Total:	5,207	4,640	-567

1000-Executive Direction

EXECUTIVE DIRECTION				
(Dollars in Thousands)				
Office of the Chief Financial Officer				
Program		Proposed FY 2001 FTEs	Proposed FY 2001 Budget	
1010	IMMEDIATE OFFICE OF THE CFO	12	1,238	
1020	COMMUNICATIONS	3	233	
1030	LEGAL AND INTERGOVERNMENTAL AFFAIRS	8	827	
1040	MISSION SUPPORT	33	1,806	
1050	FINANCIAL OPERATIONS	9	536	
1000	EXECUTIVE DIRECTION	65	4,640	
Total by Revenue Type:				
1000	EXECUTIVE DIRECTION	Local	64	4,560
1000	EXECUTIVE DIRECTION	Intra-District	1	80
1000	EXECUTIVE DIRECTION	Total	65	4,640

Program Overview

Executive Direction includes the immediate staff of the Chief Financial Officer along with support units that provide communications, legal, procurement, personnel and financial management services for the District's core financial operations and for the financial operations of the District's program agencies.

Under the leadership of the Chief Financial Officer, the OCFO's recent accomplishments are spread across a wide range of financial and technological concerns. The District's debt was restructured to reduce the cost of debt service in FY 2000 by \$59 million, and investment grade bond ratings were maintained. The internal control unit initiated or conducted 35 audits and reviews that have identified 108 internal control improvements that are needed. Agency CFOs prepared FY 2000 financial plans as a financial management tool and to provide for early detection of spending pressures. The newly implemented SOAR financial management system completed its first year of operation, and half of the District's employees were converted to the new CAPPs personnel and payroll system. In addition, the OCFO successfully addressed Y2K concerns by evaluating and remediating 77 computer applications housed at the DC SHARE Computer Center, at a cost of \$7 million.

FY 2001 programmatic goals and performance indicators for the OCFO include:

- Complete the implementation of CAPPs in all District agencies
- Implement re-engineered closing/CAFR process and audit plan
- Produce monthly "flash" reports featuring key financial indicators of the District
- Produce accurate and timely quarterly Financial Status Reports

1000-Executive Direction

- Produce FY 2000 CAFR on time with a clean opinion
- Implement improvements that result in fewer comments in the FY 2000 management letter
- Establish “business partner” relationship, including joint performance evaluation criteria, between Agency Directors and CFOs in large agencies

Proposed Budget Summary

The proposed FY 2001 budget for Executive Direction totals \$4,639,896 a decrease of \$566,605, from the FY 2000 budget. There are 65 FTEs in Executive Direction.

- **Local.** The proposed *local* budget is \$4,559,572, a net decrease of \$565,929 from the FY 2000 budget. There is a \$567,009 decrease in personal services and a \$1,080 increase in nonpersonal services. There are 64 FTEs supported by local sources.

Major changes affecting the *local* budget include:

- \$110,893 increase for the 6 percent pay raise for non-union employees
 - (\$137,325) decrease for 3.5 percent vacancy lapse
 - (\$446,577) decrease in funding for filled positions
 - (\$94,000) decrease for program savings
- **Intra-District.** The proposed *intra-District* budget is \$80,324, a decrease of \$676 in personal services from FY 2000. There is one FTE supported by intra-District sources.

2000-Office of Financial Operations and Systems

FY 2001 Proposed Operating Budget (Control Center)			
FINANCIAL OPERATIONS AND SYSTEMS			
(Dollars in Thousands)			
Office of the Chief Financial Officer			
Object Class	Budget FY 2000	Proposed FY 2001	Variance
Regular Pay -Cont. Full Time	5,423	5,284	-139
Regular Pay - Other	73	64	-9
Additional Gross Pay	140	244	104
Fringe Benefits	836	913	77
Subtotal for: Personal Services (PS)	6,472	6,505	33
Supplies and Materials	68	83	15
Telephone, Telegraph, Telegram	30	30	0
Rentals - Land and Structures	821	821	0
Other Services and Charges	364	411	47
Contractual Services - Other	450	565	115
Equipment and Equipment Rental	116	166	50
Subtotal for: Nonpersonal Services (NPS)	1,848	2,075	227
Total Expenditures:	8,321	8,580	260
Authorized Spending Levels by Revenue Type:	Dollars	Dollars	Dollars
Local	6,512	6,138	-374
Other	1,397	2,026	629
Intra-District	412	416	4
Total:	8,321	8,580	260

2000-Office of Financial Operations and Systems

FINANCIAL OPERATIONS AND SYSTEMS					
(Dollars in Thousands)					
Office of the Chief Financial Officer					
Program			Proposed FY 2001 FTEs	Proposed FY 2001 Budget	
2010	ADMINISTRATION		9	1,473	
2020	INTERNAL CONTROLS		8	535	
2030	ACCOUNTS PAYABLE		3	221	
2040	ACCOUNTING OPERATIONS		19	688	
2050	FINANCIAL REPORTING		5	405	
2060	POLICIES AND PROCEDURES		5	317	
2070	FINANCIAL AND TECHNICAL SERVICES		16	791	
2080	PAY AND RETIREMENT		80	4,151	
2100	CAPPS OPERATIONS		0	0	
2000	FINANCIAL OPERATIONS AND SYSTEMS		145	8,580	
Total by Revenue Type:					
2000	FINANCIAL OPERATIONS AND SYSTEMS		Local	97	6,138
2000	FINANCIAL OPERATIONS AND SYSTEMS		Other	40	2,026
2000	FINANCIAL OPERATIONS AND SYSTEMS		Intra-District	8	416
2000	FINANCIAL OPERATIONS AND SYSTEMS		Total	145	8,580

Program Overview

The Office of Financial Operations and Systems (OFOS) is responsible for the District's accounting operations, including critical functions such as internal controls, financial reporting and pay and retirement services. The District's financial activities are compiled and summarized by OFOS in the Comprehensive Annual Financial Report (CAFR), which presents the District's financial position at the end of each fiscal year. OFOS also provides shared financial services to the District's small and independent agencies through the Financial and Technical Services Division (FTSD).

The Office of Financial Operations and Systems can identify many important recent accomplishments. These include implementing SOAR, the city's new financial management system, and successfully converting 50 percent of the District's workforce from UPPS to CAPPS, the new payroll and personnel system. The Office of Pay and Retirement transmitted agency Civil Service Retirements to the U.S. Office of Personnel Management in 28 days, beating the federal standard of 30. The OFOS Internal Control Unit (ICU) continues to investigate financial activities and processes throughout the District, and the ICU staff has identified 108 deficiencies in internal control for management follow-up and resolution as a result of its 35 most recent audits or reviews.

2000-Office of Financial Operations and Systems

FY 2001 programmatic goals for this division include:

- Receive clean opinion by the independent auditors for fiscal year 2000
- Update accounting procedures and improve CAFR process based upon first year's experience with SOAR
- Prepare full financials quarterly
- Refine and develop standardized SOAR reports
- Develop a SOAR training plan that is customized to agency-specific needs
- Complete the implementation of CAPPS in all District agencies
- Implement electronic process to post CAPPS payroll data

Proposed Budget Summary

The proposed FY 2001 budget for OFOS totals \$8,580,385, an increase of \$259,846 over FY 2000. There are 145 FTEs in the Office of Financial Operations and Systems.

- **Local.** The proposed *local* budget is \$6,138,166, a decrease of \$373,773 from FY 2000. The entire decrease is in personal services. There are 97 FTEs supported by local sources.

Major changes affecting the *local* budget include:

- \$ 355,129 increase for the 6 percent pay raise for non-union employees
 - (\$167,369) decrease for 3.5 percent vacancy lapse
 - (\$469,533) decrease in funding for filled positions
 - (\$92,000) decrease for the transfer of two positions to the Office of Finance and Treasury
- **Other.** The proposed *other* budget is \$2,025,947, an increase of \$629,347 over FY 2000. Of this increase, \$402,547 is in personal services, and \$226,800 is in nonpersonal services. There are 40 FTEs supported by other sources.
 - **Intra-District.** The proposed *intra-District* budget is \$416,272, an increase of \$4,272 in personal services over FY 2000. There are eight FTEs supported by intra-District sources.

Performance Measures for Financial Operations and Systems
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Responsibility Center: 2000 – Office of Financial Operations and Systems

Full financials prepared quarterly – cash basis

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of full financial reports prepared	0	0	2	3	4

Prepare “flash” reports monthly with key financial indicators

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of “Flash” Reports Produced timely	10	4	2	6	12

Percent of agencies with access to electronic payroll data

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Percent of Agencies	0	0	25	50	100

3000-Office of Budget and Planning

FY 2001 Proposed Operating Budget (Control Center)

BUDGET AND PLANNING

(Dollars in Thousands)

Office of the Chief Financial Officer

Object Class	Budget FY 2000	Proposed FY 2001	Variance
Regular Pay -Cont. Full Time	2,525	2,548	23
Additional Gross Pay	58	20	-38
Fringe Benefits	374	389	15
Subtotal for: Personal Services (PS)	2,957	2,957	0
Supplies and Materials	33	33	0
Utilities	34	34	0
Telephone, Telegraph, Telegram	33	33	0
Rentals - Land and Structures	27	27	0
Other Services and Charges	335	335	0
Contractual Services - Other	205	175	-30
Equipment and Equipment Rental	40	20	-20
Subtotal for: Nonpersonal Services (NPS)	707	657	-50
Total Expenditures:	3,664	3,614	-50
Authorized Spending Levels by Revenue Type:	Dollars	Dollars	Dollars
Local	2,002	1,882	-120
Intra-District	1,662	1,732	70
Total:	3,664	3,614	-50

3000-Office of Budget and Planning

BUDGET AND PLANNING				
(Dollars in Thousands)				
Office of the Chief Financial Officer				
Program			Proposed FY 2001 FTEs	Proposed FY 2001 Budget
3010	BUDGET AND PLANNING		52	3,614
3000	BUDGET AND PLANNING		52	3,614
Total by Revenue Type:				
3000	BUDGET AND PLANNING	Local	26	1,882
3000	BUDGET AND PLANNING	Intra-District	26	1,732
3000	BUDGET AND PLANNING	Total	52	3,614

Program Overview

The Office of Budget and Planning (OBP) is the principal advisor on the District's budget and has primary responsibility for the management of the budget and financial plan. As such, the mission of OBP is to prepare, monitor, analyze and execute the District's budget, including operating funds, capital funds and enterprise funds, in a manner that ensures fiscal integrity and maximizes service to taxpayers.

The Office of Budget and Planning can identify many important recent accomplishments. These include implementing an in-house budgeting system, strategically aligning the FY 2001 baseline budget with the Mayor's Citizen Summit goals, and successfully completing the first financial audit of the Capital Program.

FY 2001 programmatic goals for this division include:

- Balance the District of Columbia's budget
- Ensure fiscal discipline at the agency level
- Align capital and operating budgets with city-wide strategic plan

Proposed Budget Summary

The proposed FY 2001 budget for OBP totals \$3,614,133, a net decrease of \$49,675 from FY 2000. There are 52 FTEs in the Office of Budget and Planning.

- **Local.** The proposed *local* budget is \$1,882,187, a decrease of \$119,621 over FY 2000. There is a \$69,621 decrease in personal services and a \$50,000 decrease in nonpersonal services. There are 26 full-time positions funded by local sources

Major changes affecting the *local* budget include:

- \$83,119 increase for the 6 percent pay raise for non-union employees
- (\$43,390) decrease for 3.5 percent vacancy lapse
- (\$109,350) decrease in funding for filled positions
- (\$30,000) decrease in contractual services
- (\$20,000) decrease in equipment

- **Intra-District.** The proposed *intra-District* budget is \$1,731,946, an increase of \$69,946 from FY 2000. The entire increase is in personal services. There are 26 full-time positions funded from intra-District sources.

Performance Measures for Budget and Planning

Responsibility Center: 3000 – Office of Budget and Planning

Number of NACSLB "Recommended Budget Practices" Implemented

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of Practices	0	0	3	5	7

Percent of quarterly Financial Review Process reports submitted timely

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Percentage of Timely FRP Reports	0	0	75	100	100

Percent of Agency Budgets Aligned with Mayoral Priorities

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Percentage of Agency Budgets Aligned	0	0	0	75	95

Number of "Outstanding" Ratings by GFOA of Budget

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of Outstanding ratings by GFOA	1	0	1	2	2

Timely Fiscal Impact Statements Prepared

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of fiscal impact statements produced timely	25	45	70	80	85

Number of Financial Planning Documents Prepared

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of Financial Reports	0	25	45	45	45

Timely processing of reprogrammings

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected

Office of the Chief Financial Officer (AT0)

Average number of days to process a reprogramming	40	40	15	15	10
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4000-Office of Grants Management and Development

FY 2001 Proposed Operating Budget (Control Center)

GRANTS MANAGEMENT AND DEVELOPMENT

(Dollars in Thousands)

Office of the Chief Financial Officer

Object Class	Budget FY 2000	Proposed FY 2001	Variance
Regular Pay -Cont. Full Time	1,402	1,316	-87
Fringe Benefits	215	204	-10
Subtotal for: Personal Services (PS)	1,617	1,520	-97
Supplies and Materials	14	7	-7
Telephone, Telegraph, Telegram	39	39	0
Rentals - Land and Structures	209	209	0
Other Services and Charges	105	50	-55
Contractual Services - Other	155	155	0
Equipment and Equipment Rental	16	8	-8
Subtotal for: Nonpersonal Services (NPS)	537	468	-70
Total Expenditures:	2,154	1,988	-166
Authorized Spending Levels by Revenue Type:	Dollars	Dollars	Dollars
Intra-District	2,154	1,988	-166
Total:	2,154	1,988	-166

4000-Office of Grants Management and Development

GRANTS MANAGEMENT AND DEVELOPMENT					
(Dollars in Thousands)					
Office of the Chief Financial Officer					
Program			Proposed FY 2001 FTEs	Proposed FY 2001 Budget	
4010	ADMINISTRATION		12	1,238	
4020	COMPETITIVE SERVICE		13	750	
4000	GRANTS MANAGEMENT AND DEVELOPMENT		25	1,988	
Total by Revenue Type:					
4000	GRANTS MANAGEMENT AND DEVELOPMENT		Intra-District	25	1,988
4000	GRANTS MANAGEMENT AND DEVELOPMENT		Total	25	1,988

Program Overview

The Office of Grants Management and Development works in concert with District leadership, agency management, and community based organizations to maximize access to federal, foundation, business and other private resources that support the District's program and policy priorities.

The Office of Grants Management and Development's recent accomplishments include: providing \$27.6 million in new discretionary grant funds from federal sources, managing 20 grant competitions for city agencies resulting in awards totaling \$13.2 million in federal and local funds to the community, increasing the number of subgrant certifications by 20 percent and administering approximately \$17 million in federal criminal and juvenile justice formula and discretionary grants.

FY 2001 programmatic goals for this division include:

- Reduce lapsed federal grant funds
- Increase the FY 2001 new grant award amount
- Develop a district-wide grant management policy
- Provide training to agencies on grant application development

Proposed Budget Summary

The proposed FY 2001 budget for OGMD totals \$1,987,526, a decrease of 166,374 from FY 2000. There are 25 FTEs in Grants Management and Development

- **Intra-District.** The proposed *intra-District* budget is \$1,987,526, a decrease of \$166,374 from FY 2000. There is a decrease of \$96,674 in personal services and a decrease of \$69,700 in nonpersonal services. There are 25 full-time positions funded by intra-District sources.

Performance Measures for Grants Management and Development

Responsibility Center: 4000 – Office of Grants Management and Development

Reduce lapsed federal grant funds

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Percent of federal grant dollars lapsed	4	2	2	2	2

Increase new competitive grant funds

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
New grant funds procured (\$)	12,000,000	12,000,000	30,000,000	35,000,000	35,000,000

5000-Office of Tax and Revenue

FY 2001 Proposed Operating Budget (Control Center)			
TAX AND REVENUE			
(Dollars in Thousands)			
Office of the Chief Financial Officer			
Object Class	Budget FY 2000	Proposed FY 2001	Variance
Regular Pay -Cont. Full Time	21,451	19,915	-1,536
Regular Pay - Other	2,036	2,153	118
Additional Gross Pay	344	362	18
Fringe Benefits	3,547	3,919	372
Subtotal for: Personal Services (PS)	27,378	26,349	-1,028
Supplies and Materials	415	430	15
Utilities	99	99	0
Telephone, Telegraph, Telegram	422	422	0
Rentals - Land and Structures	4,971	5,121	150
Other Services and Charges	2,418	2,180	-238
Contractual Services - Other	1,788	1,648	-140
Equipment and Equipment Rental	505	499	-6
Subtotal for: Nonpersonal Services (NPS)	10,617	10,398	-219
Total Expenditures:	37,995	36,748	-1,247
Authorized Spending Levels by Revenue Type:			
	Dollars	Dollars	Dollars
Local	36,467	35,625	-842
Other	1,505	1,100	-405
Intra-District	23	23	0
Total:	37,995	36,748	-1,247

5000-Office of Tax and Revenue

TAX AND REVENUE				
(Dollars in Thousands)				
Office of the Chief Financial Officer				
Program		Proposed FY 2001 FTEs	Proposed FY 2001 Budget	
5010	ADMINISTRATION	35	8,794	
5030	REVENUE ACCOUNTING	26	1,284	
5040	INTEGRATED TAX SYSTEMS	26	1,405	
5050	DATA SYSTEMS	37	2,452	
5060	RETURNS PROCESSING	105	4,914	
5070	REAL PROPERTY	133	6,958	
5100	COMPLIANCE	175	6,878	
5130	CUSTOMER SERVICE	71	4,063	
5000	TAX AND REVENUE	608	36,748	
Total by Revenue Type:				
5000	TAX AND REVENUE	Local	608	35,625
5000	TAX AND REVENUE	Other	0	1,100
5000	TAX AND REVENUE	Intra-District	0	23
5000	TAX AND REVENUE	Total	608	36,748

Program Overview

The Office of Tax and Revenue (OTR) ensures the fair, efficient and effective administration of the District's business, income, excise and real property tax laws. The Office processes tax returns and refunds, accounts for tax revenue, values property and records deeds, initiates tax compliance and collection efforts, and provides tax-related assistance and information.

The Office of Tax and Revenue can identify many important recent accomplishments. These include the establishment of a Tax Fraud Hotline and the implementation of the Revenue Discovery Contract, which will identify and collect taxes owed by businesses and individuals that are not complying with the District's tax laws. The new Criminal Investigations unit has investigated over 20 cases of suspected tax fraud resulting in 16 referrals for prosecution. The Geographical Information System featuring point and click access to over 6,000 parcels of property is now operational, and land records at the Recorder of Deeds are being imaged into a computer system. Customer service improvements include the expansion of electronic filing options in addition to providing the option of tax payment by credit card.

FY 2001 programmatic goals for OTR include:

- Increase delinquent account collections to \$73 million
- Increase the number of returns received electronically to 20,000
- Migrate all business and individual tax accounts to the new Integrated Tax System

5000-Office of Tax and Revenue

Proposed Budget Summary

The proposed FY 2001 budget for OTR totals \$36,747,640, a decrease of \$1,247,274 over FY 2000. There are 608 full-time positions funded by local sources.

- **Local.** The proposed *local* budget is \$35,624,640, a net decrease of \$842,274 from FY 2000. Of this net decrease, there is a \$1,028,275 decrease in personal services, and a \$186,001 increase in nonpersonal services. There are 608 full-time positions funded by local sources.

Major changes affecting the *local* budget include:

- \$ 1,301,598 increase for the 6 percent pay raise for non-union employees
 - (\$863,391) decrease for 3.5 percent vacancy lapse
 - (\$1,466,482) decrease in funding for filled positions
 - \$(237,535) decrease for other services and charges
 - \$150,000 increase for rent according to OPM estimates
 - \$15,000 increase for supplies
 - \$159,779 increase in contractual services
 - \$98,757 increase for equipment
- **Other.** The proposed *other* budget is \$1,100,000, a decrease of \$405,000 from FY 2000. The entire decrease is in nonpersonal services.
 - **Intra-District.** The proposed *intra-District* budget is \$23,000 representing no change from the FY 2000 budget.

Performance Measures for Tax and Revenue

Responsibility Center: 5000 – Office of Tax and Revenue

Electronic/Telefile Returns

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of Electronic Returns	2,000	10,686	15,000	20,000	20,000

Amount of Delinquent Account *Collections*

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Dollars Collected (in Millions)	6.1	11.3	21.3	21.3	21.3

Refund *Time*

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Days to process an error free tax document	15	11	15	15	15

Number of *monthly* revenue reports produced timely

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of reports produced timely	8	4	6	11	11

Percent of *Businesses* on ITS

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Percent of Businesses	0	0	0	100	100

Accounts *Receivable* Collections

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Amount Collected (in Millions)	50.8	58.6	66.4	72.8	72.8

Number of Tax Payers Assisted

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of Taxpayers assisted	329,338	393,893	400,000	410,000	410,000

6000-Office of the Chief Information Officer

FY 2001 Proposed Operating Budget (Control Center)

CHIEF INFORMATION OFFICER

(Dollars in Thousands)

Office of the Chief Financial Officer

Object Class	Budget FY 2000	Proposed FY 2001	Variance
Regular Pay -Cont. Full Time	4,132	3,982	-151
Regular Pay - Other	0	15	15
Additional Gross Pay	131	235	104
Fringe Benefits	619	699	80
Subtotal for: Personal Services (PS)	4,882	4,930	48
Supplies and Materials	381	381	0
Utilities	284	284	0
Telephone, Telegraph, Telegram	702	702	0
Rentals - Land and Structures	213	213	0
Other Services and Charges	2,313	2,313	0
Contractual Services - Other	206	206	0
Equipment and Equipment Rental	160	160	0
Subtotal for: Nonpersonal Services (NPS)	4,260	4,260	0
Total Expenditures:	9,141	9,190	48
Authorized Spending Levels by Revenue Type:	Dollars	Dollars	Dollars
Local	8,089	7,957	-132
Other	14	14	0
Intra-District	1,038	1,218	180
Total:	9,141	9,190	48

6000-Office of the Chief Information Officer

CHIEF INFORMATION OFFICER				
(Dollars in Thousands)				
Office of the Chief Financial Officer				
Program		Proposed FY 2001 FTEs	Proposed FY 2001 Budget	
6010	ADMINISTRATION/STRATEGIC PLANNING	6	1,730	
6020	STRATEGIC BUSINESS SERVICES	26	1,498	
6030	ENTERPRISE APPLICATIONS	53	5,962	
6040	SHARE	0	0	
6000	CHIEF INFORMATION OFFICER	85	9,190	
Total by Revenue Type:				
6000	CHIEF INFORMATION OFFICER	Local	63	7,957
6000	CHIEF INFORMATION OFFICER	Other	0	14
6000	CHIEF INFORMATION OFFICER	Intra-District	22	1,218
6000	CHIEF INFORMATION OFFICER	Total	85	9,190

Program Overview

The Office of the Chief Information Officer develops and maintains state-of-the-art financial information systems for the District of Columbia. The OCIO is responsible for the integration and planning of financial management operations and systems including the District's new financial management system (SOAR) and the (SHARE) mainframe-computing systems used for payroll and tax processing.

The Office of the Chief Information Officer can identify many important recent accomplishments. The Y2K challenge was successfully met by evaluating and remediating 77 computer applications housed at the DC SHARE Computer Center at a cost of \$7 million. Related improvements include the purchase and installation of a new, expanded central processing unit at SHARE, along with the migration of systems and data to the new operating environment, and the development of a disaster recovery plan. In order to meet increased user requirements, SHARE expanded its hours of operation to 24 hours a day, 5 days a week, with additional weekend hours available upon request. Also, the OCIO is currently implementing software that will facilitate a District-wide Help Desk for SOAR, CAPPS, and ITS users.

FY 2001 programmatic goals for the OCIO include:

- Complete IT strategic plan that links OCFO strategy with IT solutions
- Complete IT acquisition policy and related acquisition strategy
- Use of web-enabled and other on-line report generation
- Establish service level agreements with each District agency using SHARE
- Develop a more comprehensive and integrated data warehouse to facilitate real-time access to financial and performance information, which would include SOAR, CAPPS, and ITS

6000-Office of the Chief Information Officer

Proposed Budget Summary

The proposed FY 2001 budget for OCIO totals \$9,189,685, a net increase of \$48,195 over FY 2000. There are 85 FTEs in the Office of the Chief Information Officer.

- **Local.** The proposed *local* budget is \$7,957,192, a decrease of \$132,298 over FY 2000. The entire decrease is in personal services. There are 63 full-time positions funded by local sources.

Major changes affecting the *local* budget include:

- \$75,011 increase for the 6 percent pay raise for non-union employees
 - (\$129,971) decrease for 3.5 percent vacancy lapse
 - (\$77,338) decrease in funding for filled positions
- **Other.** The proposed *other* budget is \$14,000, representing no change from the FY 2000 budget.
 - **Intra-District.** The proposed *intra-District* budget is \$1,218,493 and 22 full-time positions, an increase of \$180,493 over FY 2000. The entire increase is in personal services.

Performance Measures for OCIO

Responsibility Center: 6000 – Office of the Chief Information Officer

IT Communications solutions - Number of hits on OCFO internet/intranet sites

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of internet hits (thousands)	0	0	78	85	94

IT/Solutions - Implementation of data warehousing applications

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
% project completion	0	0	30	100	100

Systems Integration

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
% of systems integration completed	0	0	80	90	100

IT Plan - Cost/Schedule efficiency of project implementation

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Earned Value Ratio	0	0	.90	.95	.99

User/Staff IT skill development - Percent of staff receiving training

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
% of Staff Attending Training	20	20	30	50	80

Infrastructure - reliability and accessibility of IT services

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
% of up time for SHARE and LANs	85	90	98	99	99

7000- Office of Finance and Treasury**FY 2001 Proposed Operating Budget (Control Center)**

FINANCE AND TREASURY

(Dollars in Thousands)

Office of the Chief Financial Officer

Object Class	Budget FY 2000	Proposed FY 2001	Variance
Regular Pay -Cont. Full Time	4,040	4,065	25
Regular Pay - Other	12	46	34
Additional Gross Pay	5	178	173
Fringe Benefits	657	769	112
Subtotal for: Personal Services (PS)	4,713	5,057	344
Supplies and Materials	320	220	-100
Utilities	44	44	0
Telephone, Telegraph, Telegram	24	24	0
Rentals - Land and Structures	220	220	0
Other Services and Charges	1,361	1,853	492
Contractual Services - Other	8,232	8,332	100
Equipment and Equipment Rental	175	237	62
Subtotal for: Nonpersonal Services (NPS)	10,376	10,930	554
Total Expenditures:	15,090	15,987	898
Authorized Spending Levels by Revenue Type:			
	Dollars	Dollars	Dollars
Local	5,720	6,691	971
Federal	913	932	19
Other	7,387	7,815	428
Intra-District	1,069	549	-520
Total:	15,090	15,987	898

7000-Office of Finance and Treasury**FINANCE AND TREASURY****(Dollars in Thousands)**

Office of the Chief Financial Officer

Program		Proposed FY 2001 FTEs	Proposed FY 2001 Budget	
7010	ADMINISTRATION	5	756	
7020	DEBT	5	735	
7030	ASSET MANAGEMENT	2	1,129	
7040	ECONOMIC DEVELOPMENT	6	1,296	
7050	VENDOR INFORMATION	5	209	
7060	ELECTRONIC BENEFITS TRANSFER (EBT)	5	1,816	
7070	BANKING	24	2,636	
7080	ACCOUNTING	4	208	
7090	DISBURSING	9	1,026	
7100	CASHIERING	26	1,292	
7110	UNCLAIMED PROPERTY	7	4,885	
7000	FINANCE AND TREASURY	98	15,987	
Total by Revenue Type:				
7000	FINANCE AND TREASURY	Local	77	6,691
7000	FINANCE AND TREASURY	Federal	3	932
7000	FINANCE AND TREASURY	Other	8	7,815
7000	FINANCE AND TREASURY	Intra-District	10	549
7000	FINANCE AND TREASURY	Total	98	15,987

Program Overview

The Office of Finance and Treasury manages the assets and liabilities of the District government. As such, OFT manages the District's cash and liquid assets, handles all cash disbursements, conducts capital market borrowings, collects non-tax accounts receivables, administers District retirement programs, and improves the District's infrastructure through an economic development revenue bond program.

The Office of Finance and Treasury (OFT) can identify many important recent accomplishments. Investment-grade ratings on the District's outstanding bonds were maintained, while outstanding debt was restructured to provide fiscal relief. Additional savings were achieved by instituting a performance-based contract for banking services. Other achievements include implementing a Tax Increment Financing (TIF) program, reducing average time for processing citizens' Unclaimed Property claims from 43 days to 23 days, and the execution of \$846 million in Industrial Revenue Bonds over the past year.

7000-Office of Finance and Treasury

FY 2001 programmatic goals for this division include:

- Maintain and improve the District's investment-grade bond rating
- Improve cash management procedures and policies
- Pursue additional debt restructuring/refunding opportunities to achieve added debt savings
- Expand the use of electronic offering and bidding for debt and investment transactions, using private service providers and the internet, to reduce costs, enhance earnings and increase participation

Proposed Budget Summary

- The proposed FY 2001 budget for OFT totals \$15,987,470, a net increase of \$897,866 over FY 2000. There are 98 FTEs in the Office of Finance and Treasury.
- **Local.** The proposed *local* budget is \$6,691,449, an increase of \$970,958 over FY 2000. Of this increase, \$579,161 is in personal services, and \$391,797 is in nonpersonal services. This budget supports 77 full-time positions.

Major changes affecting the *local* budget include:

- \$240,836 increase for the 6 percent pay raise for non-union employees
 - (\$112,913) decrease for 3.5 percent vacancy lapse
 - (\$271,762) decrease in funding for filled positions
 - \$723,000 increase to fund positions reallocated from nonlocal fund sources
 - (\$229,955) decrease resulting from the reduction of five positions
 - \$142,021 increase for other services and charges
 - \$100,004 increase for contractual services
 - \$149,772 increase for equipment
- **Federal.** The proposed *federal* budget is \$932,000, an increase of \$19,000 from FY 2000. The entire increase is in personal services. There are three full-time positions funded by federal grant.
 - **Other.** The proposed *other* budget is \$7,815,026, a net increase of \$428,115 over FY 2000. Of this net increase, there is a \$21,885 decrease in personal services, and there is a \$450,000 increase in nonpersonal services. There are eight full-time positions supported by other sources.
 - **Intra-District.** The proposed *intra-District* budget is \$548,995, a decrease of \$520,207 over FY 2000. Of this decrease, there is a \$232,407 decrease in personal services, and there is a \$287,800 decrease in nonpersonal services. There are 10 full-time positions funded by intra-District sources.

Performance Measures for Office of Finance and Treasury
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Responsibility Center: 7000 – Office of Finance and Treasury

Maintain investment grade bond rating 100 percent of the time and improve the rating to a higher investment grade level

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Percent of time	0	50	100	100	100

Decrease District's Bank Fee Costs

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
\$ (Millions) spent annually on bank fees	2.2	2.2	1.6	1.2	1

Dollar volume of bonds issued through the Revenue Bond Program

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Millions of dollars in bonds issued	374	895	1,200	1,300	1,400

Monthly Cash Flow reports produced timely

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of cash flow reports produced by the 15 th of each month	0	0	9	12	12

Percentage of daily cash reports completed

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Percentage of daily reports completed	90	90	95	100	100

Reconcile bank statements timely

Performance Measure	1998 Actual	1999 Actual	2000 Estimate	2001 Projected	2002 Projected
Number of days to reconcile bank statements			45	30	30